

**Offeror's Conference Q&A**  
**JFHQ (Joint Forces Headquarters) IA, Armory Complex**  
**6100 NW 78<sup>th</sup> Avenue, Johnston, IA**

***Notice:*** ICN did answer clarification questions at the Offeror's Conference held on February 28, 2013. The responses provided below are expanded and more detailed versions of the responses provided at the conference.

**Q1:** Clarify what is and isn't transferable in terms of assets in the purchase. Specify Capitol Complex assets included in the sale.

**A:** Excel spreadsheets identifying the Assets retained by the State of Iowa (RFP Assets remaining with the State of Iowa) and Assets being sold or transferred are available in the ICN resource room. Please also refer to Question 95 and 96 in the RFP Q&A document provided at [www.ICNRFP.com](http://www.ICNRFP.com).

**Q2:** Clarify any sales versus purchase scenarios? For the sale, is a purchaser required to serve authorized users and potentially other non-authorized users? For a lease, authorized users are only permitted to be served?

**A:** If the state owns the network under a lease scenario, we believe that the use of the network is limited to authorized users as the restrictions provided for under Iowa Code Chapter 8D would still apply. Under a sale scenario, the purchaser would be required to serve the authorized users as well as being allowed to serve other users not currently authorized under Iowa Code Chapter 8D.

**Q3:** Clarify the Joint Forces Headquarters (JFHQ) and how it would fit into a lease or a sale, since ICN does not own the facility.

**A:** Under either a sale or lease, the Iowa Department of Public Defense and the US Department of Defense will need to be consulted in determining whether the lessee or purchaser could continue to operate out of JFHQ. We have raised this issue with Brig Gen Derek Hill, IA ANG. He is the appropriate contact person for issues related to JFHQ. Brig Gen Hill can be reached at 515-252-4017.

**Q4:** Has there been any implication as to what the U.S. Department of Defense's intentions would be if there were a purchase?

**A:** The ICN has raised this issue with staff at JFHQ. Brig Gen Derek Hill, IA ANG, is the appropriate contact person for issues related to JFHQ. Brig Gen Hill can be reached at 515-252-4017.

**Q5:** What are the expectations of the ICN Resource Room?

A: The Q&A document provided on the website will be updated frequently and includes information provided in the Resource Room as well as information that can be found online. The expectation of the Resource Room is that the potential offeror tell the Resource Room Officer, Jontell Harris, what is preferred to be accessible in the room as part of the reservation process. Offerors must allow ICN sufficient time to compile any information requested to be included in the Resource Room. Electronic data is also available in the Resource Room.

Q6: Please identify which authority would be responsible for determining whether or not a purchase could continue to lease the space in JFHQ.

A: Brig Gen Derek Hill, IA ANG, is the appropriate contact person for issues related to JFHQ. Brig Gen Hill can be reached at 515-252-4017.

Q7: What telecommunications equipment is located in JFHQ? What equipment would need to be relocated?

A: A listing of JFHQ assets will be available electronically in the ICN Resource Room. (Updated 4/15/13)

Q8: If three or four entities come together to form a new joint venture, the joint venture may or may not have certified common carrier status by the RFP deadline. Would each of the individual partners to the venture require individual certification or would one certification be sufficient? What would make the joint venture overcome the common carrier requirements?

A: Common Carrier status is determined under federal law. Any joint venture should consult with the appropriate federal agency regarding this issue. Common Carrier status is required to ensure the opportunity to seek federal funds from the FCC that help support certain authorized users. Offering a proposal that provides this financial support in an alternative manner MAY be deemed acceptable by the legislature and the Governor in their consideration of the proposal.

Q9: Describe what is anticipated for the current ICN employee base going forward or continuing employment.

A: The structure of the ICN after a sale/lease of the network will be determined at the completion of the sale/lease. It is premature at this point to respond to this question.

Q10: Who is the contact for the Lucas Building facilities?

A: The Department of Administrative Services (DAS).

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DAS Facilities Administrator  
Phone: (515) 281-3137

Q11: What are the opportunities for a purchaser to take advantage of the current rights-of-ways agreements versus renegotiation mentioned in the RFP?

A: This issue should be addressed with the Department of Transportation (DOT).

Q12: Please provide an estimate for property tax.

A: State government entities do not pay property tax. A listing of buildings and associated infrastructure within the building associated with RFP 13-006 is located in the ICN resource room. Any property tax issue should be addressed with the appropriate taxing authority.

Q13: In the RFP, under the listing of signed leases, easements and rights of way duration, there are a number of references and most of the references indicate “undetermined”.

A: A number of these agreements were entered into some time ago. The ICN has not been able to determine the duration of all agreements based upon the content of the document. All of the relevant rights-of-way information can be made available in the Resource Room. There are a number of binders with hard copies of that information including Department of Transportation (DOT) rights-of-way that are available for review when requested.

Q14: Is there any guidance on the funding provided through the Federal Communications Commission (FCC) for expansion out to the hospitals for core equipment provided with fiber connection, etc.?

A: There are federal regulations available. ICN is unable to give specific guidance. Unlike the BTOP grant that was given to the ICN, the FCC grant was awarded to the Iowa Hospital Association (IHA). ICN’s role is as a contracted maintenance provider.

Q15: Are there any projections available outside of a one-year period for operation and capital expenditure budgets in terms of operation of the ICN?

A: Budgets for FY14 and FY15 are available electronically in the ICN Resource Room. ICN is not required to have budgets completed and turned into the Department of Management (DOM) until the end of May. Therefore, the budgets are solely beginning estimates. Engineering and Operations Division budgets have not yet been compiled. [\(Updated 4/15/13\)](#)

Q16: Describe the current ICN process of seeking capital expenditure from the ITTC and how is that justified from an agency?

A: To clarify, ICN assumes the question is related to the infrastructure appropriation that ICN has received for the past few years. The funding is covered by two different areas. One area is the upgrade of the Capitol Complex Phone System, not a part of the network, but is a part of ICN’s role as the corporate telecom body. The other area can be referred to in the Universal Service Fund (USF) rules at Universal Service Administrative Company (USAC) and suggests that anyone receiving funds, it is a 67.33 percent issue federal government and then one that is procuring the funds and servicing at getting that discount has to provide 33 percent of the non-discounted funds. That is the other part of the appropriation. That’s the purchaser, State of Iowa, Department of Education, providing that non-discounted funding for the USAC process. With

the exception of the generators appropriation, it is not a capitalization funding coming from the legislature.

Specifically to the question, the ITTC approves any budget request that is submitted to the Governor and then to the Legislature for consideration.

Q17: Are revenues and expenditures related to the Capital Complex phone system easily identifiable?

A: The revenues related to the Capital Complex phone system are identifiable in the RFP. Financial information is also available in the Resource Room. Revenue is identified in question 59 of the RFP Q& A document provided at [www.ICNRFP.com](http://www.ICNRFP.com). Expenditures are not identifiable by Capital Complex.

Q18: If upon reviewing the documentation, additional documentation is required, would that be made available in the Resource Room?

A: ICN will make every attempt to provide all information maintained by the ICN that is necessary for standard due diligence. The goal is to provide all necessary information in the Resource Room. It is not the ICN's role to do data research and compile information in particular formats. Information that is difficult to compile may take longer to provide than other requests. Please see the Resource Room Guidelines posted on the RFP website: [www.ICNRFP.com](http://www.ICNRFP.com) for more information.

Q19: Is there a limitation for representatives of an offeror that will be allowed in the Resource Room during a visit?

A: Except for applicable room capacity, there is no established limit on the number of individuals an offeror will be permitted to in the Resource Room. The Resource Room is located in the Grimes State Office Building, Grand Conference Room. The room can seat up to 10 people.

Q20: Is there a limitation on the type of equipment that can be brought into the Resource Room such as a laptop or a scanner?

A: A personal scanner may be brought into the Resource Room by the potential offeror. A printer will also be made available in the room. The documents will need to be reviewed prior to allowing to be scanned. All offerors accessing the Resource Room will be required to sign a non-disclosure agreement. Though all ICN information is public information, there are potential security risks. The non-disclosure is a blanket agreement to cover what is learned in the Resource Room even though most of it is public domain. ICN video rates are public information as required by the Code of Iowa. Other services are considered confidential. However, ICN knows that potential offerors will want to know the current rate structures as rates must be continued. The non-disclosure agreement is for providing that type of information. ICN will have an officer, Jontell Harris, who will be monitoring the room.

Q21: Will detailed authorized and certified end user billing records be made available?

A: There are no restrictions on information once the non-disclosure agreement is signed. Any due diligence a potential offeror has regarding any contracts with existing customers will be made available when requested. Billing information is available in the ICN Resource Room.

Q22: Will ICN make a billing service listing available of the carrier partners, cable partners/companies and include details by individual users and levels?

A: An ICN billing service listing will be available electronically in the ICN Resource Room. (Updated 4/15/13)

Q23: Voice services are not to be included. Are there any other equipment assets other than the telephone switches, which therefore be considered voice, and therefore, are not a transferable asset? Such as channel bank or cross-connects?

A: A listing of assets the State of Iowa will retain is available in the ICN Resource Room. Please also refer to Question 66 included in the RFP Q&A document provided at [www.ICNRFP.com](http://www.ICNRFP.com).

Q24: Will a list of Offeror Conference attendees be provided?

A. A listing of conference and tour attendees is provided at [www.ICNRFP.com](http://www.ICNRFP.com).

Q25: What are the goals of the state or the appropriate authority, in terms of this sale or lease, is that specific or can it abide within the public record?

A. Legislators have different goals of the benefit of privatizing the ICN. ICN will not speculate as to what those goals are.